

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In Re:

ACTRADE FINANCIAL TECHNOLOGIES  
Ltd., *et al.*,

Debtors.

Chapter 11

Case Nos. 02-16212 (ALG) and 02-  
16213 (ALG)

(Jointly Administered)

**ORDER DENYING MOTION OF THE ACTRADE LIQUIDATION TRUST FOR AN  
ORDER APPROVING PROPOSED CLASS SETTLEMENT, MUTUAL RELEASE  
AMONG CLASS DEFENDANTS AND COMPREHENSIVE POLICY  
RELEASE AND SETTLEMENT AGREEMENT AMONG NATIONAL  
UNION, THE ACTRADE LIQUIDATION TRUST, AND THE DIRECTORS,  
OFFICERS AND EMPLOYEES OF ACTRADE (Dkt No. 392)**

This matter having come before the Court on the Motion of the Actrade Liquidation Trust for an Order Approving Proposed Class Settlement, Mutual Release Among Class Defendants and Comprehensive Policy Release and Settlement Agreement Among National Union, the Actrade Liquidation Trust, and the Directors, Officers and Employees of Actrade (the “Motion”); and due and proper notice of this Motion having been given; and it appearing that no other or further notice is required; and it appearing that the Court has jurisdiction to consider the Motion in accordance with 28 U.S.C. §§ 157 and 1334; and it appearing that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and it appearing that venue of this proceeding and this Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having reviewed the Memorandum of the Actrade Liquidation Trust with respect to the Motion Dated March 10, 2005 for an Order Approving Proposed Class Settlement, Mutual Release Among Class Defendants and Comprehensive Policy Release and Settlement Agreement Among National Union, the Actrade Liquidation Trust, and the Directors, Officers and Employees of Actrade (the

“Memorandum”) and the papers filed therewith, the responses thereto, and the Actrade Liquidation Trust’s reply and the papers filed therewith; and the Court having held a hearing on the Motion on December 16, 2008 (the “Hearing”), at which all parties in interest had an opportunity to participate; it is hereby

ORDERED, that, for the reasons set forth by the Court at the conclusion of the Hearing, the Motion is denied and the Proposed Global Settlement (as defined in the Memorandum) is not approved; and it is further

ORDERED, that this Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order.

New York, New York  
Dated: January 7, 2009

/s/ Allan L. Gropper  
Allan L. Gropper  
United States Bankruptcy Judge